

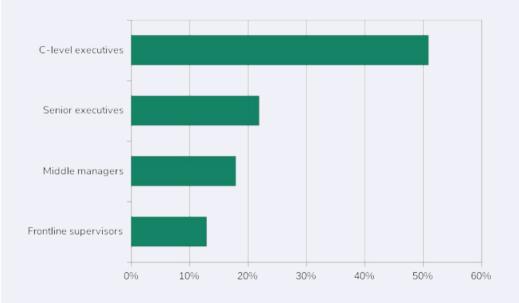
# Improving organizational performance with aligned innovation

March 2023

#### Clear divisions exist within companies for important reasons, but these can lead to organizational misalignment.

Aligning a company's operations with its goals is a universally-recognized imperative, yet very few organizations are able to measure this in a meaningful way.<sup>1</sup> Ignorance is not bliss, however, as <u>failure to focus and execute on strategic</u> <u>priorities is the most frequent cause of business</u> failure.<sup>2</sup>

Aligned innovation can help your business ensure that present tactics and allocations remain in the service of long-term objectives.



A 2017 study by MIT Sloan found that the vast majority of managers were unable to name their company's top three strategic objectives.

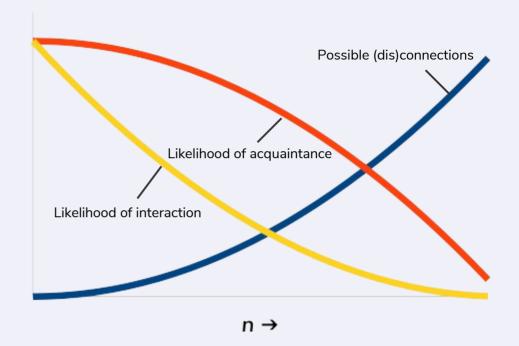
<sup>&</sup>lt;sup>1</sup> "How Aligned Is Your Organization?", HBR, 2017.

<sup>&</sup>lt;sup>2</sup> <u>"A Simple Way to Test Your Company's Strategic Alignment"</u>, HBR, 2016.

### Specialization can increase efficiency, but also reduce long-term efficacy and stifle innovation.

Whether as an individual or group, focusing exclusively on one's own functional area contributes to silo mentality, limiting opportunities for collaboration with a negative impact on business performance.

In a multi-industry study, misalignment between sales and marketing teams alone was found to reduce top-line revenue by 36%.<sup>3</sup> Using an aligned innovation framework, organizations are able to get and keep all teams on the same page, prioritizing initiatives and removing bottlenecks quickly by operating at full strength.



With greater headcount and/or specialization, the value of consistent communication increases along with the difficulty of maintaining it.

<sup>&</sup>lt;sup>3</sup> "The economics of alignment", Forrester Research, 2015.

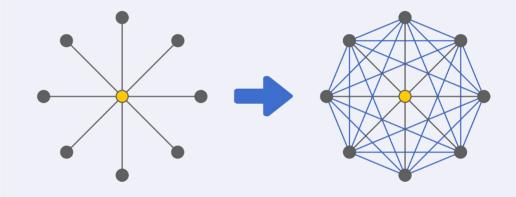
Aligned innovation (a.k.a. the other Al) helps teams identify new opportunities and combine disparate efforts into concrete, goal-focused initiatives.

The best strategies are useless without the right tactics and resources to implement them.

80% of employees do not see a clear connection between their own tasks and company objectives, while 45% of middle managers are unable to name **any** of their company's top priorities.<sup>4</sup>

Aligned innovation reinforces consistent communication between teams as well as an understanding on how one's own work maps to larger business goals.

4 "The use cases for big data", BARC Research, 2015.



Aligned innovation augments the traditional "hub-and-spoke" model of internal communications with a "rounded wheel", allowing for improved collaboration, transparency and accountability while retaining central oversight.

Maintaining alignment between current initiatives and long-term strategy is particularly challenging for distributed and remote-first organizations.

When senior management fails to build consensus between teams, processes do not scale effectively and morale suffers. Unsurprisingly, feeling "left out of the loop" is the #1 reason top performers give for leaving their employer.<sup>5</sup>

COVID-19 has only accelerated the transition to remote work and the potential for disconnect between company goals and individual tasks. While the work environment has changed for many, making sense of the big picture and one's place in it remains critical.<sup>6</sup>



Teams that are left out of the innovation process are forced to catch up later (but usually don't). Aligned innovation helps organizations continually optimize their resource allocation while keeping everyone on the same goal-oriented, priority-ordered page.

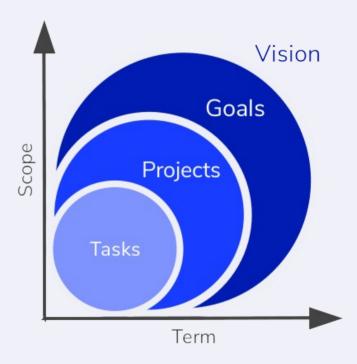
<sup>&</sup>lt;sup>5</sup> "Why Do Employees Quit On Their Bosses?", M. Schwantes, 2018.

<sup>&</sup>lt;sup>6</sup> <u>"2016 Millennial Employee Engagement Study"</u>, Cone Communications (Porter/Novelli), 2016.

## Consistent alignment through changing conditions removes the need for future (expensive) course corrections.

While periodic surveys can be an effective tool in surfacing new issues, one-directional sets of fixed questions offer no means to identify, much less collaborate on, effective solutions.<sup>7</sup>

By contrast, aligned innovation's built-in feedback loop provides a clear understanding of present strengths and opportunities, keeping operations in line with strategy while building on past organizational learning for faster future progress.<sup>8</sup>



By definition, strategic planning involves all of a company's resources over the long term. Aligned innovation allows for more informed decisionmaking while providing a mechanism for future course correction.

<sup>7 &</sup>lt;u>"The potential benefits of advanced planning"</u>, Chalmers University of Technology, 2010.

<sup>8 &</sup>quot;The ROI of Alignment", CIO, 2007.

#### More information

To learn more about ViaVote and how aligned innovation can help you meet your business goals, please visit <a href="www.viavote.com">www.viavote.com</a> or contact us at <a href="mailto:info@viavote.com">info@viavote.com</a>.

Thank you.

